

भारत का राजपत्र **The Gazette of India**

प्रसतारण
EXTRAORDINARY

भाग II—खण्ड 2
PART II—Section 2
प्राधिकार से प्रकाशित

सं० 20] नई दिल्ली, मंगलवार, अप्रैल 30, 1974/वैशाख 10, 1896
No. 20] NEW DELHI, TUESDAY, APRIL 30, 1974/VAISAKHA 10, 1896

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed
as a separate compilation

LOK SABHA

The following Bill was introduced in Lok Sabha on the 30th April, 1974:—

Bill No 46 of 1974

A Bill to provide for the conservation of coal and development of coal mines and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Twenty-fifth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Coal Mines (Conservation and Development) Act, 1974.

(2) It extends to the whole of India.

(3) It shall come into force on such day as the Central Government may, by notification, appoint in this behalf.

2. It is hereby declared that it is expedient in the public interest that the Central Government should take under its control the regulation and development of coal mines to the extent hereinafter provided.

Short
title,
extent
and
commence-
ment.

Declara-
tion as
to expe-
diency of
control by
Central
Govern-
ment.

Definitions.

3. In this Act, unless the context otherwise requires,—

(a) “appointed day” means the day on which this Act comes into force;

(b) “blending” means the process of intimately mixing different varieties of coal so as to provide a mixture which on carbonisation results in coke;

(c) “coal” includes coke in all its forms but does not include lignite;

(d) “Chief Inspector” and “Inspector” mean the persons respectively appointed as the Chief Inspector of Mines and Inspector of Mines under the Mines Act, 1952, and the provisions of that Act shall apply to the Chief Inspector and to all Inspectors while exercising their powers under this Act or the rules made thereunder;

35 of 1952.

(e) “notification” means a notification published in the Official Gazette;

(f) “prescribed” means prescribed by rules made under this Act;

(g) “scheduled bank” means a bank for the time being included in the Second Schedule to the Reserve Bank of India Act, 1934;

2 of 1934.

(h) “railway” shall have the meaning assigned to it in the Indian Railways Act, 1890;

9 of 1890.

(i) “safety in coal mines” includes the safety of any railway situated on the surface above a coal mine;

(j) “stowing” means the operation of filling, with sand or any other material, or with both, spaces left underground in a coal mine by the extraction of coal;

(k) “washing” means such process or combination of processes as may be approved in this behalf by the Central Government by which the whole or any part of the shaley and mineral matter found in the coal is removed therefrom;

(l) “agent”, “mine” and “owner” have the meanings respectively assigned to them in the Mines Act, 1952.

35 of 1952.

CHAPTER II

PROVISIONS RELATING TO CONSERVATION OF COAL AND DEVELOPMENT OF COAL MINES

Power of Central Government in respect of conservation of coal and development of coal mines.

4. (1) The Central Government may, for the purpose of conservation of coal and for the development of coal mines, exercise such powers and take, or cause to be taken, such measures as it may deem necessary or proper or as may be prescribed.

(2) Without prejudice to the generality of the foregoing power, the Central Government may, by order in writing addressed to the owner, agent or manager of a coal mine, require him to take such measures as it may think necessary for the purpose of conservation of coal or for development of coal mines, including—

(a) in any coal mine, stowing for safety.

(b) the prevention of any factor which may adversely affect the conservation of coal or development of coal mine, or

(c) washing of coal with a view to beneficiating and reducing the ash-contents of coal.

5. (1) The owner of a coal mine shall take, in relation to each coal mine owned by him, such steps as may be necessary to ensure the conservation of coal and development of the coal mine.

Duty of owner to take steps for the conservation and development of coal mine.

(2) Without prejudice to the generality of the provisions of sub-section (1), the owner of a coal mine shall—

(a) execute such stowing and other operations as may be necessary to be taken in furtherance of the objects of this Act in so far as such objects relate to the conservation of coal or development of the coal mine or the utilisation of coal obtained from the coal mine;

(b) acquire such stowing and other materials as may be necessary for ensuring the conservation of coal, and safety in, the coal mine;

(c) undertake research in relation to conservation of coal, development of coal mines and utilisation of coal;

(d) plan and undertake development of the coal mines in a scientific manner;

(e) undertake such other activity as the Central Government may, for the furtherance of the objects of this Act, direct.

6. (1) With effect from the appointed day, there shall be levied and collected on all coal raised and despatched, and on all coke manufactured and despatched, from the collieries in India, such duty of excise, not exceeding rupees ten per tonne, as may be fixed from time to time by the Central Government by notification, and different rates of duty may be levied on different grades or description of coal or coke:

Imposition of excise duties.

Provided that the Central Government may, by general or special order, exempt any special grade or grades or description of coal or coke from the levy of such duty of excise.

(2) For the purposes of sub-section (1), coal shall be graded by the Central Government in accordance with such specifications as may be laid down by that Government from time to time.

(3) All notifications issued under this section shall be laid, as soon as may be, before both Houses of Parliament.

7. During the period in which any duty of excise is being levied under section 6, the Central Government may, by notification, impose on all coal (including soft and hard coke), imported or brought into India from any place outside India, a duty of customs (which shall be in addition to any duty of customs for the time being leviable under any other law), at the rates equivalent to the rates of duty of excise levied under section 6.

Imposition of customs duty.

8. The duties of excise levied under section 6 shall be collected by such agencies and in such manner as may be prescribed.

Collection of excise duties.

Utilisa-
tion of
proceeds
of duties
levied
and
collected
under
sections
6 and 7.

9. In each financial year, a sum not exceeding the net proceeds (determined in such manner as may be prescribed) of the duties of excise and customs levied and collected under sections 6 and 7, respectively, during the preceding financial year or years shall be disbursed by the Central Government in accordance with such procedure as may be prescribed, to the owners, agents or managers of coal mines or to any other person for one or more of the following purposes, namely—

- (a) conservation of coal and development of coal mines;
- (b) grant of stowing materials and other assistance for stowing operations;
- (c) execution of stowing and other operations for the safety in coal mines or conservation of coal;
- (d) prosecution of research work connected with conservation and utilisation of coal; and
- (e) any other purpose connected with the conservation of coal or development of coal mines, or transportation, distribution or utilisation of coal:

Provided that the Central Government may disburse to the owners, agents or managers of coal mines or to any other person, a sum not exceeding the aggregate of the net proceeds of the duties of excise collected under section 8 of the Coal Mines (Conservation, Safety and Development) Act, 1952, and remaining undisbursed before the commencement of this Act, for all or any of the purposes specified in this section.

12 of 1952.

Duty of
owner
to open
Coal
Mine
Conserva-
tion and
Develop-
ment
Account.

10. (1) The owner of every coal mine, to whom any money is disbursed under section 9, shall open a separate account in a scheduled bank, to be known as the "Coal Mine Conservation and Development Account" and shall credit to the said Account all sums so disbursed to him:

Provided that where it is necessary so to do in relation to the different groups of coal mines owned by an owner, separate accounts may be opened in relation to each such group of coal mines.

(2) The money standing to the credit of the Coal Mine Conservation and Development Account and accretions thereto shall be applied by the owner of the coal mine to—

- (a) the furtherance of the objects of this Act;
- (b) the acquisition of stowing or other materials needed for stowing operations in coal mines;
- (c) the execution of stowing and other operations in furtherance of the objects of this Act;
- (d) the prosecution of research work connected with the conservation, development and utilisation of coal and safety in coal mines;
- (e) the planning and development of coal mines in a scientific manner; and
- (f) any other expenditure which the Central Government may direct to be defrayed out of the money standing to the credit of the Account.

(3) The Account, referred to in sub-section (1), shall be kept in such manner and in such form as may be prescribed, and every such account shall be audited by the same person by whom the accounts of the owner of the coal mine are audited.

11. (1) The Chief Inspector or any Inspector may make such examination and inquiries as he thinks fit in order to ascertain whether the provisions of this Act or of any rules and orders made thereunder are being complied with.

Power of
Inspec-
tors.

(2) The Chief Inspector or any Inspector may, with such assistance, if any, as he thinks fit, enter, inspect and examine at any time by day or night any coal mine in order to ensure that stowing or any other operation has been, or is being, done effectively:

Provided that the power conferred by this sub-section shall not be exercised in such a manner as unreasonably to impede or obstruct the working of the mine.

35 of 1952.

(3) Without prejudice to the provisions of the Mines Act, 1952, the Chief Inspector or any Inspector may, by order in writing, addressed to the owner, agent or manager of a coal mine, require him to take such protective measures, including stowing, in the mine as the Chief Inspector or the Inspector may think necessary, if in the opinion of the Chief Inspector or Inspector—

(a) the extraction or reduction of pillars in any part of the coal mine is likely to cause the crushing of pillars or the premature collapse of any part of the workings or otherwise endanger human life or the coal mine or a railway, or

(b) adequate provision against the outbreak of fire or flooding has not been made by providing for the sealing off and isolation of any part of the coal mine or for restricting the area that might be affected by fire or flooding, as the case may be.

(4) The powers conferred on the Inspector under sub-sections (1), (2) and (3) may also be exercised by such officer of the Central Government as that Government may, by notification, specify in this behalf.

CHAPTER III

DISSOLUTION OF THE COAL BOARD AND TRANSFER OF EMPLOYEES THEREOF

12. (1) On the appointed day, the Coal Board, established under section 4 of the Coal Mines (Conservation, Safety and Development) Act, 1952, shall stand dissolved.

Dissolu-
tion of
the Coal
Board.

12 of 1952.

(2) On the dissolution of the Coal Board,—

(a) all rights and privileges of the Coal Board shall become the rights and privileges, respectively, of the Central Government;

(b) the Central Government shall be deemed to be the lessee of all properties held by the Coal Board, immediately before the appointed day, under any lease and that Government shall hold the lease under the same terms and conditions under which the lease was held by the Coal Board;

(c) all other properties, movable and immovable, including cash balances, reserve funds, investments and moneys lying to the credit of the Coal Mines Safety and Conservation Fund and the Coal Development Fund, and all other rights and interests in, or arising out of, such properties as were, immediately before the appointed day, in the ownership, possession, power or control of the Coal Board, and all books of account, registers, records and all other documents of whatever nature relating thereto, shall vest in the Central Government;

(d) all borrowings, liabilities and obligations of the Coal Board, of whatever kind and subsisting immediately before the appointed day, shall be deemed, on and from the appointed day, to be the borrowings, liabilities or obligations, as the case may be, of the Central Government;

(e) all contracts entered into, and all matters and things engaged to be done by, with or for, the Coal Board and subsisting immediately before the appointed day, shall be deemed, on and from the appointed day, to have been entered into or engaged to be done by, with or for, the Central Government;

(f) all licences and permits granted to the Coal Board and in force immediately before the appointed day shall be deemed, on and from the appointed day, to have been granted to the Central Government and shall have effect accordingly.

Central
Govern-
ment to
direct
vesting
of
in a
Govern-
ment
company.

13. Notwithstanding anything contained in section 12, the Central Government may, if it is satisfied that a Government company is willing to comply, or has complied, with such terms and conditions as that Government may think fit to impose, direct, by an order in writing, that the right, title and interest of the Coal Board in relation to any property shall, instead of continuing to vest in it, vest in the Government company either on the date of publication of the direction or on such earlier or later date (not being a date earlier than the appointed day) as may be specified in the direction, and on such vesting, the liability or obligation, as the case may be, of the Coal Board in relation to such property shall, instead of continuing to be the liability or obligation of the Central Government, become the liability or obligation, as the case may be, of the Government company.

Continua-
tion of
suits,
etc.,
against
the
Central
Govern-
ment.

14. (1) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to the Coal Board is pending by or against such Board, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the dissolution of the Coal Board; but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the Central Government or the Government company in which the property of the Coal Board has become vested, as the case may be.

(2) Where, before the appointed day, any cause of action for any suit or proceeding or any right to appeal arose in favour of, or against, the Coal Board, and the institution of any suit or proceeding on such cause of action or the filing of such appeal was not barred before the appointed day, such suit or proceeding may be instituted or appeal may be filed by or against the Central Government or the Government company referred to in sub-section (1), as the case may be.

15. (1) Notwithstanding anything contained in any other law for the time being in force or in any contract to the contrary, every officer or other employee of the Coal Board shall, on and from the appointed day, become an officer or other employee, as the case may be, of such Government company or organisation as the Central Government may, in writing, specify and shall hold his office or service in such Government company or organisation, as the case may be, on the same terms and conditions and with the same rights to pension, gratuity and other matters as would have been admissible to him if the Coal Board had not been abolished, and shall continue to do so unless and until his employment in the Government company or organisation is terminated or until his remuneration or terms and conditions of service are duly altered by the Government company or organisation, as the case may be:

Transfer of service of existing employees of Coal Board.

Provided that the tenure, remuneration and other terms and conditions of service of any such officer or other employee shall not be altered to his disadvantage except with the previous approval of the Central Government or without such approval, except as a measure of punishment, under the rules of the Government company or the organisation concerned.

(2) Where any officer or other employee of the Coal Board becomes, under sub-section (1), an officer or other employee of any Government company or organisation, the period of service rendered, or deemed to have been rendered, by him under the Coal Board before the appointed day shall be deemed, for the purposes of fixation of pay and other emoluments, pension and other retirement benefits, to be the period of service rendered by him under the said Government company or organisation, as the case may be, as if the Government company or the organisation were in existence during the said period.

16. Notwithstanding anything contained in any other law for the time being in force, the transfer of the services of any officer or other employee from the Coal Board to any Government company or organisation shall not entitle such officer or other employee to any compensation under this Act or under any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

No compensation to be paid for the transfer of services of any officer or other employee.

CHAPTER IV

MISCELLANEOUS

17. No suit, prosecution or other legal proceedings shall lie against the Central Government or against the Chairman or any other member of the Coal Board or any officer thereof or any other person in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules or orders made thereunder, or in pursuance of the Coal Mines (Conservation, Safety and Development) Act, 1952 or any rule made thereunder.

Protection of action taken in good faith.

Power to
make
rules.

18. (1) The Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the measures to be taken for the purpose of conservation of coal and maintenance of safety in coal mines;

(b) the measures to be taken for the development of coal mines;

(c) the manner in which, and the conditions subject to which, sums at the credit of the Coal Mine Conservation and Development Account may be applied;

(d) the form in which the Coal Mine Conservation and Development Account shall be kept;

(e) any other matter which is required to be, or may be, prescribed.

(3) Any rule made under the provisions of this Act may provide that the contravention thereof shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to two thousand rupees, or with both.

(4) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and, if before the expiry of the session immediately following the session or successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Repeal.

19. The Coal Mines (Conservation, Safety and Development) Act, 1952, is hereby repealed.

STATEMENT OF OBJECTS AND REASONS

The Coal Mines (Conservation, Safety and Development) Act, 1952 provides for special arrangements for the conservation and development of coal and safety in coal mines and for the establishment of the Coal Board as the principal agency to administer the provisions of the Act. The said Act was enacted at a time when almost the entire coal industry was in private hands. In view of the nationalisation of the coal mines, the continued existence of the Coal Board is no longer necessary because most of the functions of the Coal Board may be better discharged by the public sector undertakings which have been set up to work and develop the nationalised coal mines. The Bill, therefore, provides for the abolition of the Coal Board and makes alternative arrangements for the conservation and development of coal. The Act of 1952 is, therefore, being repealed and re-enacted with the changes indicated above.

The 1952-Act provides for the imposition of a cess on all coal raised and despatched, and on all coke manufactured and despatched, from the collieries in India. While the said provisions are being retained in the Bill, the maximum rate at which the cess may be levied and collected is being increased from four rupees to ten rupees per tonne keeping in view the increased cost of conservation and development of coal.

NEW DELHI;

K. D. MALAVIYA

The 11th April, 1974.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117
OF THE CONSTITUTION OF INDIA

[Copy of letter No. Pt. FA-11011/1/73-C4, dated the 23rd April, 1974 from Shri Keshav Deo Malaviya, Minister of Steel and Mines to the Secretary-General, Lok Sabha.]

The President having been informed of the subject matter of the Coal Mines (Conservation and Development) Bill, 1974, recommends under article 117(1) of the Constitution of India, the introduction of the Bill in the Lok Sabha and also recommends under article 117(3) of the Constitution of India, the consideration of the Bill by the Lok Sabha.

FINANCIAL MEMORANDUM

Clause 9 of the Bill provides that in each financial year, a sum not exceeding the net proceeds (determined in such manner as may be prescribed) of the duties of excise and customs levied and collected under sections 6 and 7 respectively during the preceding financial years shall be disbursed by the Central Government to the owners, agents or managers of coal mines or to any other person for the purposes specified in that clause. It also envisages similar disbursement of net proceeds of excise duty collected under section 8 of the Coal Mines (Conservation, Safety and Development) Act, 1952 and remaining undisbursed before the commencement of this Act for the aforesaid purposes. The total disbursements on this account in any year will mainly depend on the collections of the aforesaid duties in the preceding year which will in turn depend on the volume of production and movement of coal and the rates of duties of excise and customs which may be fixed by the Government under clauses 6 and 7 from time to time within the ceiling of Rs. 10 per tonne prescribed under clause 6.

2. Clause 12 provides for the dissolution of the Coal Board and that on such dissolution of the Board, all its assets and liabilities shall vest in the Central Government. The assets could be transferred to a Government Company subject to such conditions as the Government may impose on it. Assets of the Board, chiefly consisting of the ropeways it has constructed in the Bengal-Bihar region for transportation of sand for stowing in coal mines, are estimated to be Rs. 25 crores approximately. The cost of construction of these ropeways was met by the Board from the funds provided by the Government in the shape of loans. The liabilities of the Board consist of the unpaid amount of about Rs. 13.67 crores approximately (as on 1st April, 1974) of loan provided by the Government for construction of the ropeways and of unpaid claims which are estimated to be of the order of Rs. 15 crores. The liabilities on account of the ropeways will be less than the assets reverting to the Central Government. So far as the unpaid claims are concerned, these pertain mainly to claims under Board's schemes of financial assistance to collieries for undertaking stowing operations and protective works or for overcoming the handicap of certain adverse factors. There are also claims for admissible refunds of excise duty collected under section 8 of the Coal Mines (Conservation, Safety and Development) Act, 1952. All the liabilities, including those arising out of the transfer of ropeways and other properties to the Public Sector Undertakings, will be met out of the net proceeds of the excise duty collected under section 8 of the above mentioned Act and of the duties of customs and excise to be collected under the provisions of clauses 6 and 7 of the Bill in accordance with the provisions of clause 9 of the Bill. No additional expenditure from the Consolidated Fund is, therefore, likely to result if the Bill is passed into Law.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 18 of the Bill empowers the Central Government to make rules to give effect to the provisions of the Bill. Such rules may provide for the measures to be taken for the purpose of conservation of coal and maintenance of safety in a coal mine, the measures to be taken for the development of coal mines, the manner and form in which the Coal Mines Conservation and Development Account shall be kept, and the manner in which, and the conditions subject to which the sums at the credit of the said Account shall be applied.

2. The matters in respect of which such rules may be made are generally matters of procedure and administrative detail and it is not practicable to provide for them in the Bill itself. The delegation of the legislative power is, therefore, of a normal character.

S. L. SHAKDHER,
Secretary-General.

